

Company Number 2730697

ACCOUNTS

For the year ended

31 March 1995



YORKSHIRE COGEN Ltd

YORKSHIRE COGEN LIMITED

REPORT OF THE DIRECTORS

The Directors submit their report and the audited accounts for the year ended 31 March 1995.

Although the company was incorporated in July 1992, activity first started in May 1994 with commencement of construction at St James's Hospital CHP site.

PRINCIPAL ACTIVITIES

To construct and operate Peaking and Combined Heat and Power (CHP) generating plants.

REVIEW OF THE BUSINESS

In the year two peaking plants, Commonside Lane and Warren Lane, were constructed and became operational during the period.

Construction commenced on two CHP plants in the year, St James's Hospital - completion expected in July 1995 and A H Marks - completion forecast for December 1995.

RESULTS AND DIVIDENDS

The results of the Company for the period are set out in detail on page 7. The Directors do not recommend the payment of a dividend.

FIXED ASSETS

Changes in fixed assets during the year are set out in note 6 on page 10.

DIRECTORS

The Directors who served during the year were :

W J Wilkinson	(appointed 29 April 1994)
J Heath	(appointed 1 October 1994)
I K Adams	(resigned 31 August 1994)
E T McGregor	(resigned 31 August 1994)
G J Hall	(appointed 29 April 1994, resigned 31 August 1994)

YORKSHIRE COGEN LIMITED

REPORT OF DIRECTORS (continued)

The Alternate Directors who served during the year were:

D G Bunce (resigned 29 April 1994)

R J Skerrett (resigned 29 April 1994)

DIRECTORS' INTERESTS

No Director had any interest in the shares of the Company at the beginning or the end of this year.

The interests of W J Wilkinson, as Director of the immediate parent company, are disclosed in the financial statements of Yorkshire Electric Power Limited.

The interests of J Heath in Yorkshire Electricity Group plc., the ultimate parent company were :-

	<u>Yorkshire Electricity Group plc</u> Number of ordinary shares of 56.8p each (31 March 1994 50p) held at:-	
	<u>31 March 1995</u>	<u>1 October 1994</u>
J Heath	6,808	7,737

The share options granted to the Directors of the Company, other than Directors of the parent company, for shares in the parent company or its subsidiaries were :

	<u>Yorkshire Electricity Group plc</u> Number of ordinary shares of 56.8p each (31 March 1994 50p) held at:-			
	<u>31 March 1995</u>		<u>1 October 1994</u>	
	Executive Option Scheme	Sharesave Scheme	Executive Option Scheme	Sharesave Scheme
J Heath	11,384	5,100	11,384	5,100

Sharesave Scheme

Price per share £1.75
Period of option At the end of 5 years

Executive Option Scheme

Price per share £2.87 - £4.78
Period of option 3-10 years

YORKSHIRE COGEN LIMITED

REPORT OF DIRECTORS (continued)

CHARITABLE GIFTS

The Company made no charitable gifts during the year.

DIRECTORS AND OFFICERS LIABILITY INSURANCE

During the year the Directors and Officers liability insurance was in force.

AUDITORS

A resolution to re-appoint Touche Ross & Co as auditors, will be proposed at the Annual General Meeting.

By order of the Board

S.M. Davenport

Secretary

YORKSHIRE COGEN LIMITED

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

The following statement which should be read in conjunction with the auditor's statement of auditors' responsibilities, is made with a view to distinguishing for shareholders the respective responsibilities of the Directors and of the auditors in relation to the financial statements.

The Directors are required by the Companies Act 1985 to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company as at the end of the financial year end and of the profit or loss for the financial year.

The Directors consider that in preparing the financial statements on a going concern basis on pages 7 to 12, the Company has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, and that all accounting standards which they consider to be applicable have been followed.

The Directors have responsibility for ensuring that the Company keeps accounting records which disclose with reasonable accuracy the financial position of the Company and which enable them to ensure that the financial statements comply with the Companies Act 1985.

The Directors have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

YORKSHIRE COGEN LIMITED

AUDITORS' REPORT TO MEMBERS

We have audited the financial statements on pages 7 to 12 which have been prepared under the accounting policies set out on page 9.

Respective responsibilities of directors and auditors

As described on page 5 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 March 1995 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Touche Ross & Co
Chartered Accountants and Registered Auditors

3 Aug 1995

Abbey House
74 Mosley Street
Manchester
M60 2AT

YORKSHIRE COGEN LIMITED

PROFIT & LOSS ACCOUNT for the Year ended 31 March 1995 (£'000s)

	<u>Note</u>	<u>1995</u>	<u>1994</u>
Turnover	2	242	0
Cost of Sales		(118)	0
Gross Profit		<u>124</u>	<u>0</u>
Administration Expenses		(37)	0
Operating Profit		<u>87</u>	<u>0</u>
Depreciation		(24)	0
Profit on Ordinary Activities Before Taxation		<u>63</u>	<u>0</u>
Taxation on Profit on Ordinary Activities	5	(193)	0
Profit on Ordinary Activities After Taxation	12	<u>256</u>	<u>0</u>
Retained Profit for Year		<u><u>256</u></u>	<u><u>0</u></u>

The notes on pages 9 to 12 form an integral part of these accounts.

All results relate to continuing operations. The results above represent all of the gains and losses recognised by the company during the year. Consequently a statement of recognised gains and losses is not required. In addition, there is no difference between the results presented above and the result on an unmodified historical cost basis, therefore a note of historical cost profits and losses is not required.

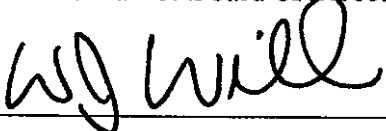
YORKSHIRE COGEN Ltd

BALANCE SHEET as at 31 March 1995 (£'000s)

	<u>Note</u>	<u>1995</u>	<u>1994</u>
FIXED ASSETS			
Tangible Assets	6	8,168	0
CURRENT ASSETS			
Stock	7	36	0
Debtors	8	<u>727</u>	<u>-</u>
		763	-
CREDITORS : AMOUNTS FALLING DUE WITHIN ONE YEAR	9	(8,675)	0
NET CURRENT ASSETS		<u>(7,912)</u>	<u>-</u>
NET ASSETS		<u>256</u>	<u>-</u>
FINANCED BY :-			
Called up Share Capital	11	-	-
Reserves			
Profit & Loss Account	12	256	0
EQUITY SHAREHOLDERS' FUNDS		<u>256</u>	<u>-</u>

These financial statements were approved by the Board of directors on 29 June 1995

Signed on behalf of Board of Directors



Director

The notes on pages 9 to 12 form an integral part of these accounts.

YORKSHIRE COGEN Ltd

NOTES TO THE ACCOUNTS - YEAR ENDED 31 MARCH 1995

1. ACCOUNTING POLICIES

These financial statements are prepared in accordance with applicable accounting standards. The particular accounting policies which the Directors have adopted are set out below.

(a) ACCOUNTING CONVENTION

The financial statements are prepared under the historical cost convention.

(b) TANGIBLE FIXED ASSETS AND DEPRECIATION

No depreciation is provided on assets in the course of construction. Additions during the year are depreciated in the month following the date of acquisition. Generating assets are depreciated using the straight line method over 20 years.

(c) STOCK

Stocks are stated at the lower of cost and net realisable value.

(d) ELECTRICITY DISCOUNTS

Up front electricity discounts paid to customers are treated as prepayments, the cost being amortised over the life of the contract.

2. TURNOVER

Turnover represents sales of electricity, net of difference payments.

3. DIRECTORS AND EMPLOYEES

The directors received no emoluments during 1995 or 1994. There are no employees other than directors (1994 same).

4. PROFIT ON ORDINARY ACTIVITIES

Profit on ordinary activities is arrived at after charging :

	1995 £'000s	1994 £'000s
Auditors' remuneration	3	0
Depreciation on owned assets	24	0

YORKSHIRE COGEN Ltd

NOTES TO THE ACCOUNTS - YEAR ENDED 31 MARCH 1995

5. TAX ON PROFIT ON ORDINARY ACTIVITIES

	1995 £'000s	1994 £'000s
Group relief receivable from parent company	193	0
TOTAL	193	0

Group relief is receivable in respect of excess capital allowances.

6. TANGIBLE ASSETS

	Assets in Course of Construction	Generating Plant	Total
	£'000s	£'000s	£'000s
<u>Gross Capital Cost</u>			
As at 1 April 1994	0	0	0
Additions	5,807	2,385	8,192
As at 31 March 1995	<u>5,807</u>	<u>2,385</u>	<u>8,192</u>
<u>Depreciation (note 1(b))</u>			
As at 1 April 1994	0	0	0
Charge for the year	0	24	24
As at 31 March 1995	<u>0</u>	<u>24</u>	<u>24</u>
Net Book Value			
As at 31 March 1995	<u>5,807</u>	<u>2,361</u>	<u>8,168</u>
As at 31 March 1994	<u>0</u>	<u>0</u>	<u>0</u>

7. STOCKS

	1995 £'000s	1994 £'000s
Raw materials and consumables	<u>36</u>	<u>0</u>

YORKSHIRE COGEN Ltd

NOTES TO THE ACCOUNTS - YEAR ENDED 31 MARCH 1995

8. DEBTORS

	1995 £'000s	1994 £'000s
Group Debtors	230	0
Other Debtors	415	-
VAT recoverable	82	0
TOTAL	727	-

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	1995 £'000s	1994 £'000s
Amounts owed to group undertakings	8,520	0
Accruals	155	0
TOTAL	8,675	0

10. DEFERRED TAXATION

No provision is required for deferred taxation as at 31 March 1995. The total deferred tax liability computed at the current rate of 33% where capital allowances are in excess of depreciation is £214k.

11. SHARE CAPITAL

	1995 £	1994 £
Authorised: 100 Ordinary shares at £1 each	100	100
Allotted and fully paid up :		
2 Ordinary shares at £1 each	2	2
Total called up Share Capital per Balance Sheet	2	2

12. PROFIT & LOSS ACCOUNT

	£'000s
As at 1 April 1994	0
Retained profit for Year	256
As at 31 March 1995	256

YORKSHIRE COGEN Ltd

NOTES TO THE ACCOUNTS - YEAR ENDED 31 MARCH 1995

13. CAPITAL COMMITMENTS

	1995 £'000s	1994 £'000s
Contracted	1,060	0
TOTAL	<u>1,060</u>	<u>0</u>

14. ULTIMATE PARENT COMPANY

In the opinion of the Directors the ultimate parent company is Yorkshire Electricity Group plc, being a company incorporated in Great Britain and registered in England and Wales. Copies of the group financial statements are available from Companies House, Crown Way, Maindy, Cardiff CF4 3UZ.

15. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	1995 £'000s	1994 £'000s
Profit for year	256	0
Opening shareholders' funds	-	-
Closing shareholders' funds	<u>256</u>	<u>0</u>